



MAGIC VALLEY

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA, & TWIN FALLS COUNTIES

EMPLOYMENT TRENDS

The July 2004 seasonally adjusted unemployment rate was 3.9 percent for the Magic Valley Labor Market Area as shown in Table 1. This was unchanged from July 2003, but was three-tenths of a percentage point lower than in June 2004. The *Civilian Labor Force* in July 2004 was 7.9 percent higher than in July 2003 and 2.0 percent higher than in June 2004. Total employment increased by 4,190 persons year-over-year.

Nearly every sector showed an increase from June to July 2004. The most dramatic of these increases was in the *Construction* sector that gained a huge 68.9 percent year-over-year. The reason for this is numerous construction projects in and around the Twin Falls area. The City of Twin Falls had new records for housing starts in 2002 and 2003. Domestic housing, along with major road, business, and office complex construction, have created several new construction jobs. With several major businesses coming into the area, it appears that construction will continue to remain strong through 2004 and into 2005.

Other sectors that had strong growth year-over-year were *Retail Trade*, *Utilities*, and *Information* with increases of 9.4 percent, 12.5 percent, and 14.3 percent, respectively. Other sectors were positive as well. Consumer confidence remains very high in the area as unemployment has stayed at or below 4.0 percent most of the year. Strong dairy prices have helped that industry rebound from last year's low prices and maintain employment stability of, in some cases, continue growing. As a result of an overall strong economy, market-driven sectors such as retail and services have continued to experience steady growth. With the opening of the new store Tuesday Morning and the anticipated construction of a new Lowe's store in 2005, it appears that several new retail jobs will be created. Over the past two years, ten new major retailers have located in the area and the

Magic Valley Table 1: Labor Force & Employment
Twin Falls, Jerome, and Gooding Counties

	Jul 2004*	Jun 2004	Jul 2003	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	59,110	57,970	54,780	2.0	7.9
Unemployment	2,300	2,420	2,160	-5.0	6.5
% of Labor Force Unemployed	3.9	4.2	3.9		
Total Employment	56,810	55,550	56,620	2.3	8.0
Unadjusted					
Civilian Labor Force	60,360	58,690	55,360	2.8	9.0
Unemployment	2,420	2,230	1,990	8.5	21.6
% of Labor Force Unemployed	4.0	3.8	3.6		
Total Employment	57,940	56,460	53,370	2.6	8.6
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	46,440	45,520	43,480	2.0	6.8
Goods-Providing Industries	9,310	8,050	7,590	15.7	22.7
Natural Resources & Mining	20	20	20	0.0	0.0
Construction	3,970	2,900	2,350	36.9	68.9
Manufacturing	5,320	5,130	5,220	3.7	1.9
Food Manufacturing	3,710	3,690	3,590	0.5	3.3
Other Manufacturing	1,610	1,440	1,630	11.8	-1.2
Service-Providing Industries	37,130	37,470	35,890	-0.9	3.5
Trade, Transportation & Utilities	10,880	10,950	10,100	-0.6	7.7
Wholesale Trade	1,960	1,950	1,870	0.5	4.8
Retail Trade	6,770	6,710	6,190	0.9	9.4
Utilities	270	270	240	0.0	12.5
Transportation & Warehousing	1,880	2,020	1,800	-6.9	4.4
Information	560	510	490	9.8	14.3
Financial Activities	1,770	1,780	1,720	-0.6	2.9
Professional & Business Services	6,070	6,130	6,460	-1.0	-6.0
Educational & Health Services	3,830	3,900	3,690	-1.8	3.8
Leisure & Hospitality	3,690	3,780	3,610	-2.4	2.2
Other Services	1,520	1,500	1,490	1.3	2.0
Government Education	4,230	4,360	3,890	-3.0	8.7
Government Administration	4,580	4,560	4,440	0.4	3.2

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

outflow of consumers going to Boise to shop has lessened. Twin Falls is expanding upon its role as the retail and service hub of South Central Idaho and northern Nevada.

In agriculture, a great deal depends on the water situation. This is the fifth straight year of below normal water, and some irrigation districts have either suspended service during certain times or have stopped delivery early. Last April, a serious water curtailment situation arose when the Idaho Department of Water Resources sent a letter to many groundwater users in South Central Idaho that would have curtailed 26,500-acre-feet of water. This crisis was averted and a committee was formed to formulate an equitable water plan to send to the Legislature. A tentative plan for water mitigation has been formulated and, if approved, would help considerably in the effort to recharge the Snake River Aquifer and keep enough water

available for the future. Commodity prices were average to good this season and most crops were excellent. However, if the 2004-2005 water year is below normal, both surface irrigators and groundwater users may be critically short of water, forcing possible liquidation or changes in the crop rotation toward crops with a shorter growing season. This is a serious concern to dairy farmers as well since they are major ground water users. If serious water curtailment is necessary, the impact to the Magic Valley economy will be immense.

AREA DEVELOPMENTS

South Central Idaho

- Idaho Governor Dirk Kempthorne announced the awarding of seven grants totaling \$418,092 for water projects that will save over 20,000 acre-feet of water in the Magic Valley each year. These funds are from the Eastern Snake Plain Aquifer Mitigation Program. The grants went to Buckeye Ditch Company (\$19,370) to line and seal a high loss ditch, mitigating 1,450-acre-feet a year. Buckeye Farms, Inc. received \$184,005 to install a pumping plant and pipeline, mitigating 11,600-acre-feet per year. Canyon Springs Golf Course and Fish Farm received \$23,090 to install a pump back system, mitigating 2,600-acre-feet a year. Clear Springs Food received \$76,752 to construct a pump back system, mitigating 2,900-acre-feet per year. Fisheries Development Company received \$77,500 to reroute a pipeline system, mitigating 1,450-acre-feet a year. Finally, Rangen, Inc. received \$37,375 to modify pipeline and install a pump, mitigating 185 acre-feet per year.
- The Idaho Travel Council awarded \$208,337 to various agencies in South Central Idaho. The organizations will use the funds to fund promotional programs designed to market cities, towns, or regions as a tourism destination. Program elements include print and electronic advertising, brochures, travel shows, direct mail campaigns, and industry research and creation of Web sites. Of the total amount awarded, South Central Idaho Recreation Tourism & Development Association (SCIRTD) received \$103,037, Twin Falls Chamber of Commerce received \$85,500, Idaho Outfitters and Guide Association-South Central Chapter received \$8,800, and Idaho RV Campgrounds Association-South Central Chapter received \$11,000.

Twin Falls County

- The Magic Valley Office of Idaho Commerce & Labor held an Open House September 2. Community leaders and others attended the event, which showcased additional services that will be available at local offices because of the merger that formed Idaho Commerce & Labor. Discussions and exhibits focused on the extensive labor market information

(LMI) that is available at the agency's Internet website and the positive implications of enhanced economic development efforts because of the merger.

- A new beauty shop, Total Look Salon, has opened in Buhl. Diane Kaminski and Colleen Kinyon are co-owners of the salon, located at 813 Burley Avenue in Buhl. It offers full-service features such as hair stylist and nail technician services, plus facials, body wraps, tanning, and cosmetics. Total Look Salon is open from 9:00 a.m. to 6:00 p.m. Monday through Friday and 9:00 a.m. to 5:00 p.m. on Saturdays.

Blaine, Camas, Cassia, Jerome, and Lincoln Counties

- Governor Dirk Kempthorne announced that he is awarding \$500,000 to the City of Jerome for building a new sewer system for St. Benedict's Medical Technology Park at Crossroad Point near Jerome. The technology park will have a 40-plus-bed hospital as well as space for office and technology-oriented businesses. Funding was provided from the Idaho Rural Initiative grant.

Cassia and Minidoka Counties

- The City of Burley signed an agreement in August with the Boyer Company of Utah, which will manage the former J.R. Simplot Plant area in Heyburn and help recruit viable businesses to the Mini-Cassia Industrial Park. Idaho's U.S. Senator Mike Crapo and Roger Madsen, Director of Idaho Commerce & Labor, attended the signing event and both emphasized the positive effect the move will have on economic development efforts of the Mini-Cassia area. Already Gossner Cheese of Logan, Utah, announced its intention to build a new facility in the Mini-Cassia Industrial Park. Groundbreaking will take place this fall and the new plant should be open for operations in October 2005. Gossner will employ over 40 persons, and more than 100 construction jobs will be created as the plant is built. Boyer Company indicated that there were many potential employers and anticipated many new businesses in the area in the next few years. In 2002, the J.R. Simplot Company announced the closure of its potato processing plant in Heyburn. That closure was completed in November 2003. After months of negotiation, the J.R. Simplot Company gifted the property in its entirety to the City of Burley.

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